

RESOLUTION NO. 18-

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, ESTABLISHING THE MINIMUM ANNUAL LEASE RATES AND ADOPTING A BROKERAGE COMMISSION POLICY FOR PROPERTY AVAILABLE FOR LEASE AT FORT LAUDERDALE EXECUTIVE AIRPORT.

WHEREAS, pursuant to Section 8.10 of the City Charter, the City Commission is required to host a public hearing to receive public comment and establish the minimum rent or rent per acre or per parcel that may be accepted by the City in negotiations authorized by the City Charter, and for the determination of the amount of professional brokerage fees that may be paid and the procedures and standards that will govern the payment of such fees; and

WHEREAS, the Airport Advisory Board at its meeting of September 27, 2018, approved adoption of the annual lease rates and the brokerage policy as recommended by City staff; and

WHEREAS, pursuant to Resolution No. 18-213 adopted by the City Commission on October 9, 2018, a public hearing was scheduled for October 23, 2018 to establish and receive public comment with respect to annual lease rates and a brokerage policy, pertaining to the Fort Lauderdale Executive Airport and the adjacent Industrial Airpark, which lands are available to accommodate aviation-oriented businesses and light, clean industry, respectively; and

WHEREAS, such public hearing was duly held on October 23, 2018 before the City Commission of Fort Lauderdale at City Hall;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. That the minimum annual rent for property available for lease, or any renewals thereof, at the Fort Lauderdale Executive Airport shall be as follows:

A. AVIATION USES

For such uses as defined in and by Resolution 05-129 adopted February 15, 2015 with subsequent revisions as the City may adopt from time to time, which established Minimum Standards for Fixed Base Operators and Airport Tenants at Fort Lauderdale Executive Airport.

(1) NEW LEASES

For new Leases, the City Commission hereby establishes the minimal lease rate at \$0.40 per square foot. Any Lease shall include an annual Consumer Price Index Adjustment, periodic fair market adjustments with a term not to exceed thirty (30) years.

(2) EXISTING LEASES

In the event it becomes necessary to amend an existing lease to allow for the lease of additional land, the lease rate for such additional land shall be negotiated between the City and the lessee, but shall not be less than \$0.40 per square foot. The proposed lease amendment will be subject to the review and approval process observed by the City for a new lease.

B. NON-AVIATION USE LAND

Any Lease or renewal of non-aviation land shall adhere to current Federal Aviation Administration (FAA) guidelines which limit non-aviation leases to 50 years with no options. FAA guidelines also state that annual lease rates should equal or exceed 8% to 12% of appraised value of the land and existing improvements. However lower rental rates consistent with market rental rates for comparable uses and sites may be approved provided FAA does not object and competent data is collected and provided by qualified experts which support a lower rate.

C. LEASE PRICES

Lease prices and rates as established above shall be for property in "AS IS" condition, and shall apply to any lease, the application for which is approved by the City Commission after the effective date of this Resolution.

D. COMPETITIVE BIDS

In the event the City offers any aviation or non-aviation property for lease on a competitive bid basis, bids will be evaluated, among other factors, on the basis of the guaranteed net revenue to be derived by the City from the lease.

E. TERMS OF LEASE AGREEMENT

- (1) Each Aviation Use Lease Agreement shall be for a maximum term of thirty (30) years, including annual rent escalation based on an annual Consumers'

Price Index standard, periodic fair market adjustments and such other normal and customary terms and conditions as determined by the City Commission.

- (2) Each Non-Aviation Use (e.g., an Industrial Airpark) Lease Agreement shall be for a maximum term of fifty (50) years with no options and shall include customary terms and conditions as determined by the City Commission.

SECTION 2. That the brokerage commission policy for property available for lease at Fort Lauderdale Executive Airport shall be as follows:

A. The brokerage commission is set at 4% of the appraised value of the non-aeronautical use property, and one half of the monthly rent received by the City shall be applied towards payment of the brokerage commission until it is paid in full.

B. No real estate commission will be paid by the City on any aeronautical use property.

C. In any case in which a request is approved by the City to permit an assignment, sublease or any other transfer involving a Lease Agreement, no real estate commission shall be paid.

SECTION 3. All previous Resolutions establishing minimum annual lease rates and brokerage commission policy are hereby rescinded.

SECTION 4. That this Resolution shall be in full force and effect upon final adoption.

ADOPTED this the ____ day of _____, 2018.

Mayor
DEAN J. TRANTALIS

ATTEST:

City Clerk
JEFFREY A. MODARELLI